App. F. IX-4

Previous References.

1941. (Legis)

File No. 2 - 41

Serial Nos. 15

Later References.

(10)

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. one only

Part B for Aug '41

SUBJECT.

Amendments to Defence of India Rules 92 A & B.

C. G. Vajravelu
19.8.41

Amendments to the Defence of India Rules - 92 A+B.

General and Revenue Secretariat
R. A. & L. C.

File No. of 194 .

[App. F. III-2

Serial No.

From

The Secy to the Govt of Mysore

7.3-40/W dated 31st July 1941

Forwards amendments to Defence of India Rules.

As usual the amendments to the Defence of India Rules (92A 92B)
will be published in the Gazette for general information.

Submitted with a draft.

SECY. LAW DEPT. 6 AUG. 1941 GOVT OF MYSORE

5/8/41

Law Secy)

Hra 6/8/41

Jome 6/8/41

NOTE—Contn. Sheet.

WD 01925—GPB—1,000—4-3-41

678 P 41 Lol 207

FROM

THE SECRETARY
TO THE HON'BLE THE RESIDENT IN MYSORE.

To

The Chief Secretary to the Government of
His Highness the Maharaja of Mysore.

CHIEF SECRETARY * 31. JUL. 1941 * GOVT. OF MYSORE.

MEMORANDUM No. F.3-40/W.

Dated Bangalore, the 31st July *1941*.

Amendments to the Defence of India Rules.

Attention is invited to notification by the Government of India, Defence Co-ordination Department, No.931-O.R./41 dated the 12th July 1941, a copy of which is enclosed.

for SECRETARY TO THE RESIDENT.

THE HON'BLE THE RESIDENT IN MYSORE.

NOTIFICATION.

No. F. 3-40/W, dated Bangalore, the 25th July 1941.

The following notification of the Government of India, Defence Co-ordination Department, No. 931-OR/41, dated the 12th July 1941, is republished.

P. M. RAMAN NAYAR,
for *Secretary to the Resident.*

DEFENCE CO-ORDINATION DEPARTMENT.

NOTIFICATION.

Simla, the 12th July 1941.

No. 931-OR/41.—In exercise of the powers conferred by section 2 of the Defence of India Act, 1939 (XXXV of 1939), the Central Government is pleased to direct that the following further amendments shall be made in the Defence of India Rules, namely:—

After rule 92 of the said Rules, the following rules shall be inserted, namely:—

92A. (1) For the purposes of this rule,— **Restrictions on payments, etc.**

(*i*) "sterling area" means His Majesty's dominions, excluding Canada, Newfoundland and Hongkong, the British protectorates and protected States, and such other territories as may be declared by the Reserve Bank of India to be included for the time being in the sterling area;

(*ii*) "security" includes shares, stock bonds, debentures, debenture stock, deposit receipts in respect of the deposit of securities, units or sub-units of a unit trust, coupons representing dividends or interest, and life or endowment assurance policies, but does not include bills of exchange and promissory notes;

(*iii*) "transfer" includes, in relation to any security, transfer by way of loan or security.

(2) Subject to any exemptions which may be granted by the Reserve Bank of India, no person resident in British India shall, except with the permission of the Reserve Bank of India,—

(*a*) draw, issue or negotiate any bill of exchange or promissory note, or acknowledge any debt, so that a right (whether actual or contingent) to receive a payment in India is created or transferred in favour of a person who is resident outside the sterling area; or

(*b*) make any payment to, or by the order or on behalf of, any such person.

(3) Subject to any exemptions which may be granted by the Reserve Bank of India, no person resident in British India shall, except with the permission of the Reserve Bank of India,—

(*a*) draw, issue or negotiate any bill of exchange or promissory note, transfer any security or acknowledge any debt, so that a right (whether actual or contingent) to receive a payment in India is created or transferred in favour of a person not resident outside the sterling area as consideration for, or in association with,—

(*i*) the receipt by any person of a payment, or the acquisition by any person of property, outside the sterling area, or

(*ii*) the creation or transfer, in favour of any person of a right (whether actual or contingent) to receive a payment, or acquire property, outside the sterling area; or

(*b*) make any payment to a person not resident outside the sterling area as such consideration or in such association as aforesaid.

(4) Where an individual has at any time since the third day of September 1939 resided in British India,—

(*a*) until the Reserve Bank of India otherwise direct, he shall be treated for the purposes of this rule and of any order providing for exemptions from any of the provisions thereof, as having been, and as still being resident in British India and not resident outside the sterling area, and

(*b*) if any such direction is given, the Reserve Bank of India may, by the same or a subsequent direction, declare the territory in which, for those purposes, he is to be treated as being resident.

(5) In the case of any persons to whom sub-rule (4) does not apply, the Reserve Bank of India may give directions declaring the territories in which, for the purposes of this rule and of any order providing for exemptions from any of the provisions thereof, they are to be treated as being resident.

(6) Any direction given under sub-rule (4) or sub-rule (5) may be either general or special, and may be revoked or varied by a subsequent direction thereunder.

(7) If any person contravenes the provisions of this rule he shall be punishable with imprisonment for a term which may extend to five years or with fine or with both.

(8) Nothing in this rule shall restrict the doing by a person authorised by or on behalf of the Reserve Bank of India of anything within the scope of his authority.

Blocked accounts.

92B. (1) For the purpose of this rule,—

(*i*) the expression "blocked account" means an account blocked by an order of the Reserve Bank of India, or an account opened as a blocked account, at an office or branch in British India of a bank authorised by the Reserve Bank of India to open blocked accounts; and

(*ii*) the expression "the banker" means, in relation to any person, a banker who opens or keeps a blocked account in favour of that person.

(2) Where permission is granted by the Reserve Bank of India for the payment of any sum to any person resident outside the sterling area, but the permission is granted subject to the condition that the payment is made to a blocked account,—

(*a*) the manner in which the payment may be made shall be either—

(*i*) to the banker with a direction that it is to be credited to a blocked account of that person [which direction may, in the case of a payment by means of a cheque or warrant, be made by marking the cheque or warrant with the words 'blocked account of' (naming the person in question) or words to the same effect]; or

(*ii*) by a crossed cheque or warrant drawn in favour of that person, marked with the words 'payable only to blocked account of payee' or words to the same effect;

(*b*) the sum collected shall be credited by the banker to a blocked account of that person; and

(*c*) the crediting of that sum to that account shall, to the extent of the sum credited, be a good discharge of the person making the payment.

(3) Subject to any exemptions which may be granted by order of the Reserve Bank of India, any sum standing to the credit of a blocked account shall not be dealt with except and in accordance with permission granted by the Reserve Bank of India.

A. DEC. WILLIAMS,
Secretary to the Government of India.

305 (1)—30-7-1941—15—RPB.

No. P 584 Leg/2-41-15 — 6.8.41

Notification.

The following Notification of the Government of India, Defence Coordination Department, is hereby republished for general information.

By order

[illegible] 1841
Secretary to Government
Law Department.

To Comptroller, Fort St. George Gazette for publication in part IV and sending 100 spare copies to this office by Early

931-OR/41
12.7.41

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

No. P.564/Legis. 2-41-15 General and Revenue Secretariat,

Dated Bangalore 6th August *193* 41.

NOTIFICATION.

The following Notification of the Government of India, Defence Co-ordination Department, is hereby republished for general information.

By Order,

8/8/41.

Secretary to Government.
Law Department.

To--The Compiler, Mysore Gazette, for publication in Part IV of the ~~Mysore~~ gazette and sending 100 copies to this office.

TN-2)

NOTIFICATION.

No. P. 584—*Legis.* 2-41-15, *dated Bangalore, the 6th August* 1941.

The following Notification of the Government of India, Defence Co-ordination, Department, is hereby re-published for general information.

By Order,
H. V. NARAYANA RAO,
Secretary to Government,
Law Department.

DEFENCE CO-ORDINATION DEPARTMENT.

NOTIFICATION.

Simla, 12th July 1941.

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(*ii*) " security " includes shares, stock bonds, debentures, debenture stock, deposit receipts in respect of the deposit of securities, units or

sub-units of a unit trust, coupons representing dividends or interest, and life or endowment assurance policies, but does not include bills of exchange and promissory notes ;

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this rule and of any order providing for exemptions from any of the provisions thereof, as having been, and as still being resident in British India and not resident outside the sterling area, and

(*b*) if any such direction is given, the Reserve Bank of India may, by the same or a subsequent direction, declare the territory in which, for those purposes, he is to be treated as being resident.

(5) In the case of any persons to whom sub-rule (4) does not apply, the Reserve Bank of India may give directions declaring the territories in which, for the purposes of this rule and of any order providing for exemptions from any of the provisions thereof, they are to be treated as being resident.

(6) Any direction given under sub-rule (4) or sub-rule (5) may be either general or special, and may be revoked or varied by a subsequent direction thereunder.

(7) If any person contravenes the provisions of this rule, he shall be punishable with imprisonment for a term which may extend to five years or with fine or with both.

(8) Nothing in this rule shall restrict the doing by a person authorised by or on behalf of the Reserve Bank of India of anything within the scope of his authority.

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(*b*) the sum collected shall be credited by the banker to a blocked account of that person; and

(*c*) the crediting of that sum to that account shall, to the extent of the sum credited, be a good discharge of the person making the payment.

(3) Subject to any exemptions which may be granted by order of the Reserve Bank of India, any sum standing to the credit of a blocked account shall not be dealt with except and in accordance with permission granted by the Reserve Bank of India.

A. DEC. WILLIAMS,
Secretary to the Government of India.

Printed by the Superintendent at the Government Press, Bangalore.